

The Board of Trustees of the University of Central Arkansas convened in a called teleconference meeting at 1:30 p.m., Friday, September 13, 2013, with the following officers and members present:

Chair: Mr. Victor Green
Vice Chair: Ms. Kay Hinkle
Secretary: Mr. Brad Lacy
Mr. Bunny Adcock
Ms. Elizabeth Farris
Mr. Bobby Reynolds
Ms. Shelia Vaught

ACTION AGENDA

Request for Authorization to Proceed with Eminent Domain Proceedings on Two Parcels of Unimproved Real Property in Conway, Arkansas

The administration is seeking authority from the Board of Trustees to proceed with eminent domain proceedings in order to acquire two parcels of unimproved real property adjacent to the UCA campus. The University, acting through the Board of Trustees, has the authority to exercise eminent domain (condemnation) pursuant to the provisions of Ark. Code Ann. § 6-62-201.

Descriptions of the two parcels of property and the reasons for each request are as follows:

Hammett Property: The first parcel of real property is a tract of land situated between Donaghey Avenue and Augusta Avenue and consists of approximately 1.19 acres. It is between College Avenue and Bruce Street. The property is unimproved and is currently “for sale by owner.”

Discussions were held in 2008 with the owners of the property, Bill and Mary Hammett, and in 2007 and 2008, appraisals were performed on the property. At that time, two apartment houses were on the property, but the buildings have since been demolished. The appraisals were \$435,000 and \$470,000. The discussions did not result in a purchase/sale of the property.

Mr. and Mrs. Hammett are both deceased. The property is owned by Hammett Family Properties, LLC, and the Estate of Mary Hammett (according to title work performed by Conway Title Services of Conway).

Another appraisal, dated July 1, 2013, was obtained, and the property was appraised for \$450,000. After receiving that appraisal, the University offered \$450,000, but the owners did not respond or otherwise counter.

Within the last few weeks, a meeting was held and discussions were undertaken with the owners, and another written offer was made by the University in the amount \$525,000. This offer was rejected.

Based on conversations between President Courtway and the attorney for the family, as well as conversations between President Courtway and a third party, the Hammett Property is “under contract” to be sold to a third party to use for development of apartments. The sales price is unknown because the parties have no obligation to provide the contract to university officials; however, it is believed to be in excess of \$600,000.

The administration is requesting authority from the Board of Trustees to proceed with a condemnation action in order to acquire the Hammett Property. The public purpose is for the development of Greek housing and other student housing, now and in the future, as the University continues to grow in the direction of College Avenue.

The owners of the property and the legal description is set forth on the attached resolution.

Terry Williams Property: The second parcel of property is a small (50’ x 175’) unimproved tract of land on Donaghey Avenue, which is directly across from UCA’s Harding Fountain. The property is owned by Ms. Terry Williams and is currently “for sale by owner.”

The University owns property on all sides of this tract of land, and the administration has been negotiating with Ms. Williams for the purchase of this property. An appraisal, dated October 22, 2012, was obtained, and the property was appraised for \$79,000. Through discussions, as well as based on the recent purchase of the property adjacent to Ms. Williams’ lot (Mr. Jay Witt’s property), an offer of \$116,000 was made to Ms. Williams. This offer was rejected, and she countered with an amount of \$215,000 (although in a conversation, she said she would accept \$209,000).

The public purpose for the request to proceed with condemnation of the property is that it will be used in the future for a mixed-use development in the block of Donaghey Avenue between South Boulevard and Bruce Street, with much of the development being student housing.

The owner of the property and the legal description is set forth on the attached resolution.

The following resolution was unanimously adopted upon motion by Brad Lacy and second by Shelia Vaught:

RESOLUTION

**AUTHORIZING CONDEMNATION PROCEEDINGS
UNDER
ARK. CODE ANN. §6-62-201**

“WHEREAS, that the Board of Trustees of the University of Central Arkansas has reviewed and discussed the acquisition of two parcels of unimproved real property situated in the City of Conway, Arkansas: (1) the first parcel is referred to herein as the “Hammett Property” and is described on Exhibit “1” attached to this resolution, which is owned by Hammett Properties, LLC, an Arkansas limited liability company and the estate of Mary Nell Hammett; and (2) the second parcel is referred to herein as the “Williams Property” and is described on Exhibit “2” attached to this resolution, which is owned by Ms. Terry Williams; and

WHEREAS, the Board of Trustees has determined that the administration of the University has exercised every reasonable effort to obtain the Hammett Property and the Williams Property at reasonable prices through negotiation, and such negotiations have not been successful; and

WHEREAS, the administration had the Hammett Property appraised two times, most recently in 2013, and the Hammett family had the property appraised in 2007, and the highest appraisal was \$470,000 for approximately 1.19 acres, and the University has offered the Hammett family the sum of \$525,000, which has been declined; and

WHEREAS, the Board of Trustees has determined that the acquisition of the Hammett Property is necessary for the use and benefit of the University of Central Arkansas for student housing and/or Greek housing; and

WHEREAS, the administration had the Williams Property appraised in 2012 for \$79,000 and has offered the owner the sum of \$116,000 for the lot of 50’ x 175’, which has been declined; and

WHEREAS, the Board of Trustees has determined that the acquisition of the Williams Property is necessary for the use and benefit of the University of Central Arkansas for student housing and other public uses benefitting the faculty, staff and students of the institution; and

WHEREAS, pursuant to the provisions of Ark. Code Ann. § 6-62-201, the Board of Trustees of the University of Central Arkansas is granted the authority to condemn property whenever and wherever the acquisition of property is necessary for the use of the institution.

NOW, THEREFORE BE IT RESOLVED, that the Board of Trustees of the University of Central Arkansas, by the adoption of this resolution, hereby:

(a) finds and determines that the acquisition of the Hammett Property, described on Exhibit “1”, and the Williams Property, described on Exhibit “2”, are necessary for the use and benefit of the institution as student housing sites;

(b) finds that every reasonable effort has been made to acquire the Hammett Property and the Williams Property through the offering of reasonable prices in excess of appraised amounts and that negotiations have not been successful; and

(c) authorizes the president of the University to proceed with the exercise of the University’s right of eminent domain under and pursuant to the provisions of Ark. Code Ann. § 6-62-201 in order to acquire the “Hammett Property” from Hammett Properties, LLC, an Arkansas limited liability company and the estate of Mary Nell Hammett, and the “Williams Property” from Ms. Terry Williams, to be used for the benefit of the public institution known as the University of Central Arkansas.

1006-4937

The West 50 feet of North Seventy-five (75) feet of the South One hundred fifty (150) feet of Lot Three (3), in the Northeast Quarter (NE1/4) of the Southeast Quarter (SE1/4) of Section Eleven (11), Township Five (5) North, Range Fourteen (14) West, as shown on B. G. Wilson's Map of the City of Conway, more particularly described as follows: Beginning at a point on the West line of Donaghey Ave. of the City of Conway, which point is forty-four (44) feet West and One hundred eighty-six (186) feet South of the Northeast corner of the Northeast Quarter (NE1/4) of the Southeast Quarter (SE1/4) of Section Eleven (11) Township Five (5) North, Range Fourteen (14) West, and running thence West Three hundred fifty-six (356) feet; thence running South Seventy-five (75) feet;

thence running East Three hundred fifty-six feet (356) to the West line of Donaghey Avenue thence running North along the West line of Donaghey Avenue Seventy-five (75) feet to the point of beginning.

This conveyance is made subject to all rights of way, covenants and restrictions, easements and all other reservations of record.

148-243

The East 306 feet of the North 75 feet of the South 150 feet of Lot Three (3), in the Northeast Quarter (NE 1/4) Southeast Quarter (SE 1/4) Section Eleven (11), Township Five (5) North, Range Fourteen (14) West, as shown on B. G. Wilson's Map of the City of Conway, Arkansas.

2005-18721

Tract #11. The South 75 feet of Lot 3 in the NE 1/4 of SE 1/4 of Section 11, Township 5 North, Range 14 West, as shown on B. G. Wilson's Map of the City of Conway, Arkansas, as shown on plat of record in Plat Book A, Page 46, Plat Records of Faulkner County, Arkansas, more particularly described as follows: Begin on the west line of Donaghey Avenue at a point which is 44 feet west and 261 feet south of the northeast corner of said NE 1/4 SE 1/4 and run thence west 356 feet; thence south 75 feet; thence east 356 feet to the west line of Donaghey Avenue; thence north along the west line of said Donaghey Avenue a distance of 75 feet to the point of beginning.

EXHIBIT #1

**The South ½ of Lot 6 and the North ½ of Lot 7, Block 68, Boulevard Addition to the City of
Conway, Arkansas.**

EXHIBIT #2

There being no further business to come before the Board, the meeting was adjourned upon motion by Kay Hinkle and second by Bunny Adcock.

**The University of Central Arkansas
Board of Trustees**

Victor Green, Chair

Brad Lacy, Secretary